

From: Peter Rowe
To: Microsoft ATR
Date: 12/11/01 8:53pm
Subject: Microsoft Settlement

Dear Sir/Madame,

I would like to strongly oppose your proposed Microsoft Settlement. It is poorly crafted with exceptions that allow Microsoft to continue their monopolistic behavior. It reads as if a decent proposal was first crafted and then someone amended each clause to allow Microsoft a way to circumvent it. I can give you a personal example of how ineffective this agreement will be: my current ISP "Qwest" is eliminating residential DSL support which is getting migrated to Microsoft's MSN as a result. This morning (December 11, 2001) I carried out the migration. However my Eudora email program no longer works. According to Microsoft Support:

http://supportservices.msn.com/us/content/qanda/_email_port25.htm it will only work with Microsoft's Outlook or Outlook Express email programs. The reason cited is "security". In other words I can now only use Microsoft's email program to access my email, I have no other option. All other competitive email programs are locked out. Remember in the proposed settlement the clause that makes exceptions when "security" is involved? Well, this is how Microsoft interprets that. Should an ISP really be allowed to dictate what applications I can or can't use? The proposed settlement is so full of holes like this that Microsoft can easily circumvent almost every piece of it. Their past behavior guarantees that they will.

On a bigger note though the potential to continue to stifle innovation with this proposed settlement is almost too much to bear. First of all Microsoft does not innovate, although they now have a policy of using the term each time they speak. No, Microsoft started with DOS -- something cloned from a very successful OS called CP/M, no longer in business. Then came word-processing and spreadsheet applications that companies like WordPerfect and Lotus truly innovated and developed. These companies were behemoths but are now decimated even though they had superior products. Of course there's Microsoft Windows which we know came from the likes of Apple and Xerox, and how long can they last? Then there's the PDA, developed by Palm, rapidly losing market share to the Windows-tied Microsoft PocketPC. There's the Microsoft IE browser which drove Netscape out of business -- a company that literally invented the Internet as we know it. There's music and video players; how long can RealNetworks last? And the list goes on. In fact, it is extremely difficult to name a single product that Microsoft has innovated and in every case the DOS/Windows monopoly is what allowed Microsoft to remove the innovative competition. The point is that innovations come from outside of Microsoft, mostly from small, truly innovative, companies. They need these companies -- the very ones they drive out of business. A sobering way to think of it is: if Microsoft can annihilate someone like Netscape -- the innovators of something as huge as the Internet -- then what chance does any other small company have, what can some small company do that would be bigger than the Internet? What product could Microsoft not annihilate?

Another example is Java. Java is truly a great technical product. In essence it allows new programs to be developed but more importantly it "contains" these programs as they run in what is called a "sandbox" to make sure they are safe. While not perfect yet by any means the correct architecture is there to build on. Contrast that with Microsoft's initial answer to Java--re-branding their existing OLE to ActiveX. The big problem with this is that ActiveX programs run unguarded in the machine so programs are free to do anything with no constraints. It was easy to see how viruses and so on would proliferate, and they did. Where Java was really intended though was to provide a common environment for all computer programs so that they could run on any platform. Microsoft's reaction to that was to pollute Java by locking it to proprietary parts of Windows in an attempt to destabilize the marketplace. They were successful. Now they've entirely removed Java from Windows. None of this is of benefit to the consumer--in fact it is the very opposite. Microsoft has now cloned Java (they call it C#) and will use it as the foundation of their .NET strategy. An all too familiar outcome.

The real problem then is Microsoft's use of their Window monopoly to relentlessly pursue and cause the destruction of companies who do truly innovate combined with the fact that Microsoft then delivers inferior product. As proof of this you have to look no further than the latest related out-of-business company, hacked IIS website, or Outlook virus. The correct answer is to split up the Operating System from Application Development but unfortunately that opportunity appears gone now. You must do something to put a constraint on Microsoft's tie of applications to the Windows operating system or true innovation, not what Microsoft talks about, will be greatly stifled in the future. The current agreement is very naive in its attempt to achieve these goals. The United States runs a great risk that just like the auto industry foreign interests will ultimately capitalize on this and offer superior products that consumers will migrate to.

I have no connection to Microsoft or any of its competitors.

Thank you,
--Peter Rowe
13301 Leslie Lane
Lake Oswego
OR 97034
Tel: 503-697-4211